



United States Department of Agriculture
National Agricultural Statistics Service

AGRI-VIEW



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MINNESOTA SMALL GRAINS PRODUCTION – DOWN FROM 2010

Minnesota's **SPRING WHEAT** production is estimated at 69.0 million bushels, down 19 percent from 2010. Spring wheat yield, at 46 bushels per acre, is down 9 bushels from 2010. Spring wheat harvested area for grain is 1.50 million acres, down 3 percent from last year.

WINTER WHEAT production, at 1.46 million bushels, is down 48 percent from last year. Winter wheat harvested area is 26,000 acres, down 57 percent from last year. Yield, at 56.0 bushels per acre, is up 9 bushels from 2010, and is the second highest yield in recorded history.

OAT production is estimated at 5.94 million bushels, down 48 percent from last year, and is the lowest production since 1866. Harvested area for grain is 110,000 acres, down 33 percent from 2010, and the smallest harvested area in recorded history. Yield, at 54.0 bushels per acre, is down 15 bushels from last year.

BARLEY production, at 3.06 million bushels, is down 29 percent from last year, and is the lowest production since 1879. Barley harvested area, at 60,000 acres, is down 14 percent from last year, and is the smallest harvested area since 1875. Yield, at 51.0 bushels per acre, is down 11 bushels from 2010.

MINNESOTA SEPTEMBER 1 ALL SOYBEAN STOCKS UP 69 PERCENT FROM LAST YEAR

The Minnesota September 1 Grain Stocks Survey estimated **SOYBEANS** stored in all positions is 25.2 million bushels, up 69 percent from a year earlier. On-farm stocks are 5.3 million bushels, equal to September 1, 2010.

CORN stocks in all positions totaled 148 million bushels, a 25 percent decrease from a year earlier. On-farm storage of 57.0 million bushels is a decrease of 21 percent.

ALL WHEAT stocks in all positions totaled 69.9 million bushels, down 35 percent from September 1, 2010. On-farm stocks, at 44.0 million bushels, accounted for 63 percent of the total.

BARLEY stocks in all positions totaled 9.76 million bushels, down 28 percent from a year earlier. This is a record low for September. On-farm stocks of 2.40 million bushels is a record low for September and accounted for 25 percent of the total.

OAT stocks in all positions totaled 28.8 million bushels, down 28 percent from September 1, 2010. On-farm storage of 5.10 million bushels is a decrease of 27 percent from last year and a record low for September.

Agricultural Research Management Survey (ARMS II)

ARMS is the USDA's primary source of information on the production practices, resource use, and economic well-being of America's farm households.

**Your participation
in ARMS ensures
that decisions
affecting you,
your family,
your business,
and your community
are based
on the facts.**

Underway October 17, 2011

MINNESOTA & U.S. SEPTEMBER 1 HARVESTED ACRES, YIELD, AND PRODUCTION

COMMODITY	2010 HARVESTED ACRES (000)	2011 HARVESTED ACRES (000)	2010 YIELD	2011 YIELD	2010 PRODUCTION (000)	2011 PRODUCTION (000)
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MINNESOTA

SPRING WHEAT (Bu)	1,550	1,500	55.0	46.0	85,250	69,000
WINTER WHEAT (Bu)	60	26	47.0	56.0	2,820	1,456
BARLEY (Bu)	70	60	62.0	51.0	4,340	3,060
OATS (Bu)	165	110	69.0	54.0	11,385	5,940

UNITED STATES

SPRING WHEAT (Bu)	13,359	12,079	46.1	38.3	615,975	462,473
WINTER WHEAT (Bu)	31,741	32,314	46.8	46.2	1,484,861	1,493,677
BARLEY (Bu)	2,465	2,239	73.1	69.2	180,268	155,050
OATS (Bu)	1,263	940	64.3	57.5	81,190	54,005

MINNESOTA & U.S. SEPTEMBER 1 GRAIN STOCKS

COMMODITY	ON-FARM		OFF-FARM		TOTAL ALL POSITIONS		PERCENT OF PREVIOUS YEAR
	2010	2011	2010	2011	2010	2011	

**-1,000 BUSHELLS-
MINNESOTA**

CORN	72,000	57,000	125,437	91,314	197,437	148,314	75
SOYBEANS	5,300	5,300	9,589	19,910	14,889	25,210	169
ALL WHEAT	66,000	44,000	41,476	25,853	107,476	69,853	65
BARLEY	3,700	2,400	9,829	7,360	13,529	9,760	72
OATS	7,000	5,100	33,180	23,718	40,180	28,818	72

UNITED STATES

CORN	485,100	314,950	1,222,687	813,295	1,707,787	1,128,245	66
SOYBEANS	35,400	48,500	115,485	166,163	150,885	214,663	142
ALL WHEAT	812,100	641,500	1,637,517	1,508,573	2,449,617	2,150,073	88
BARLEY	125,070	92,350	98,818	82,007	223,888	174,357	78
OATS	46,250	31,100	70,722	47,313	116,972	78,413	67

MINNESOTA HOG INVENTORY UP 1 PERCENT FROM JUNE

Minnesota hog producers had an inventory of 7.80 million hogs and pigs on September 1, 2011, up 4 percent from last year and up 1 percent from the June 1, 2011, figure. Breeding hogs totaled 560 thousand head, up 2 percent from a year earlier. Market hogs and pigs, at 7.24 million head, were up 4 percent from a year ago.

Minnesota's June-August 2011 pig crop totaled 2.97 million head, up 4 percent from a year earlier but down 1 percent from the March-May 2011 pig crop. The 290 thousand sows that farrowed averaged 10.25 pigs per litter, up from 10.20 a year ago.

Hog producers in Minnesota intend to farrow 290 thousand sows during the September-November 2011 quarter. If realized, this would be up 2 percent from the same period a year earlier. Producers also intend to farrow 290 thousand sows during the December 2011-February 2012 quarter. If realized, this would be up 2 percent from the same period in 2010-2011.

FARROWING INTENTIONS

SOWS TO FARROW				
State	Sept 2011- Nov 2011	% of Prev. Yr.	Dec 2011- Feb 2012	% of Prev. Yr.
	--1,000--		--1,000--	
CO	70	99	72	103
IL	255	98	250	100
IN	145	100	155	107
IA	485	101	480	100
KS	94	119	96	120
MI	51	98	52	102
MN	290	102	290	102
MO	185	103	190	109
NE	180	100	180	103
NC	440	97	430	97
OH	87	97	89	100
OK	180	97	180	97
PA	46	94	46	98
SD	86	98	84	95
TX	37	123	35	109
UT	41	100	35	88
Other States 1/	202	96	193	93
US	2,874	100	2,857	100

1/ Individual State estimates not available for the 34 Other States.

SEPTEMBER 1, 2011, HOG INVENTORIES and JUNE - AUGUST 2011 FARROWINGS

State	TOTAL		BREEDING		MARKET HOGS & PIGS 1/						SOWS FARROWED June - August 2011			
	Number	2011 as % of 2010	Number	2011 as % of 2010	Under 50 Pounds	50-119 Pounds	120- 179 Pounds	180+ Pounds	TOTAL		Number	2011 as % of 2010	Pigs Per Litter	Pig Crop 2/
									Number	2011 as % of 2010				
	<u>1,000</u>	<u>Pct.</u>	<u>1,000</u>	<u>Pct.</u>	<u>-----1,000-----</u>				<u>1,000</u>	<u>Pct.</u>	<u>1,000</u>	<u>Pct.</u>	<u>Num.</u>	<u>1,000</u>
CO	750	101	150	100	300	110	75	115	600	102	72	99	10.00	720
IL	4,650	104	490	100	1,370	1,280	770	740	4,160	105	255	96	9.90	2,525
IN	3,800	104	300	103	1,150	1,030	670	650	3,500	104	150	103	9.55	1,433
IA	20,000	102	1,020	101	4,970	6,100	4,610	3,300	18,980	102	485	102	10.30	4,996
KS	1,880	101	180	100	520	365	305	510	1,700	101	88	105	9.45	832
MI	1,070	97	110	100	300	250	210	200	960	97	51	98	10.00	510
MN	7,800	104	560	102	2,500	2,230	1,480	1,030	7,240	104	290	104	10.25	2,973
MO	2,850	97	360	104	1,020	615	445	410	2,490	96	190	100	10.50	1,995
NE	3,250	103	380	103	960	880	580	450	2,870	103	175	100	10.50	1,838
NC	9,100	97	850	98	3,100	2,030	1,680	1,440	8,250	97	450	91	9.85	4,433
OH	2,110	102	170	103	710	560	420	250	1,940	102	89	98	9.60	854
OK	2,330	98	400	98	800	380	250	500	1,930	98	190	100	9.65	1,834
PA	1,100	96	90	86	235	370	195	210	1,010	97	46	92	10.20	469
SD	1,320	106	170	106	380	330	235	205	1,150	106	89	101	10.20	908
TX	770	110	80	145	195	165	145	185	690	107	36	113	8.60	310
UT	750	97	75	94	285	130	130	130	675	98	41	98	10.40	426
Other Sts 3/	3,069	94	421	98	901	634	562	551	2,648	94	204	94	9.95	2,028
US	66,599	101	5,806	101	19,696	17,459	12,762	10,876	60,793	101	2,901	99	10.03	29,084

1/ Weight groups may not add due to rounding.

2/ Number of pigs born June-August that were on hand September 1, or had been sold.

3/ Other State estimates include 34 remaining States.

REACTION TO SEPTEMBER 30, 2011, GRAIN STOCKS REPORT

The grain stocks report was released on September 30, 2011. This report was much anticipated as evidence of a cutback in use of the major grains due to higher prices. The report did not disappoint those who waited for it. The corn and wheat stocks were both larger than the trade expected. The July-August disappearance of corn was reported to be 2.54 billion bushels, compared to 2.6 billion bushels one year ago. This decline of 60 million bushels confirmed the cutback in use. An earlier WASDE report estimated the decline of 400 million bushels. So higher prices did curtail demand, but what was the source of this cutback? The latest WASDE report for corn showed that the decline of demand was as follows: feed use down 200 million bushels; food, seed and industrial down 100 million bushels; and exports down 100 million bushels. This shows that the cutback was balanced. A recent article by Alan Bugler suggests that difficulties in measuring residual use may help to explain some of the numbers on use. DDGS consumption may mean lower feed use of whole corn and also that industrial use for ethanol may be slightly overestimated.

Looking at the soybean use pattern, total use was reported in the WASDE report to be up 15 million bushels from the previous estimate in August, but down 109 million bushels from last year. The source of this decline in demand was a decrease in crush of 15 million bushels, export decreases of 80 million bushels, and the remainder of 14 million bushels in seed and residual. It should be noted that the stocks to use ratio, a measure of tightness of supply and demand which signals volatility, now stands at 5.22% for 2011/12 for corn and 5.312% for soybeans. Both ratios are historically low and lead to price projections of average corn prices being \$6.50 for corn and \$13.65 for soybeans.

The grain stocks report showed that corn stocks in all positions totaled 1.13 billion bushels, down 34% from last year. Of this total, 315 million bushels were stored on farms, also down 35% from last year, with 813 million bushels being stored off-farm, down 33% from last year. The disappearance for the period July to August was again 2.54 billion bushels, down from 2.6 billion bushels last year. For soybeans, the stocks in all positions was reported at 215 million bushels, up 42% from last year. Of this total, 48.5 million bushels were stored on farms, up 37% from last year, with 166 million bushels being stored off-farm, up 44% from last year.

Disappearance was 405 million bushels, down 4% from one year ago. Wheat stocks as of September 1, 2011, were reported to be 2.15 billion bushels, down 12% from one year ago. Of this total, 642 million bushels were stored on farms, down 21% from last year, and 1.51 billion bushels were stored off-farm, down 8% from last year. Disappearance for the July to September period was 720 million bushels, down 2% from last year. Some of this disappearance may be due to the substitution of wheat for corn in livestock rations. So the scenario seems to be a decrease in stocks, but this is matched by a similar decrease in use due to higher prices. The key to 2011/12 prices will continue to focus on the size of the harvest crop with a reduction in harvested acres being expected as well as actual size of harvest for corn and soybeans. The use pattern will also be a key to future prices. Overall, changes in the U.S. and World economies may signal reductions in demand which will alter the price relationship in the direction of falling prices/deflation.

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